Unclaimed deposits in banks

181. SHRI DATTA MEGHE:
SHRI M.V. MYSURA REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that unclaimed deposits of over Rs. 900 crores are lying idle with various Nationalised Banks in the country;

(b) if so, the details thereof and the reasons therefor;

(c) whether it is also a fact that these accounts have not been operated in the last ten years; and

(d) the steps taken by Government to get the accounts operated in the interest of depositors or distribute the unclaimed deposits to the families of the depositors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Reserve Bank of India (RBI) has reported that, as per their records, the unclaimed deposits with various public sector banks in the country, as on December 31, 2006 were as follows:—

	Amount (Rupees in crore)
SBI Group	147.25
Nationalised Banks	794.18
Total	941.43

(c) Yes, Sir.

(d) RBI has instructed banks to ensure that their branches segregate and maintain, in separate ledger(s), deposit accounts which have not been operated upon for two years. In case of accounts that have remained inoperative for one year, banks are required to advise their customers. In case the advice letter is returned undelivered, the branch is expected to enquire into the whereabouts of such customers, or about their legal heirs.

Frauds in State-owned financial institutions

182. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Apex Court has asked Government to evolve an independent mechanism to investigate frauds in State-owned financial institutions;

(b) if so, the details thereof;

(c) what is the extent of such frauds in these institutions; and

(d) how far Government have been able to crack these cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Reserve Bank of India (RBI) have reported that a case Common Cause (a registered society) V/s. Union of India & others in writ petition (W.P. No. 291 of 1998) had come up for hearing on November 9, 2006 before the Supreme Court of India. The substantial prayer of the petitioner is to have a comprehensive review of banking system and have in place an effective fraud investigation mechanism to handle frauds by banking sector or other public sector financial institutions leading to increase in non-performing assets and bad debts. The Hon'ble court after hearing the parties, directed Shri Harish Salve, Senior Advocate, in his personal capacity not necessarily appearing for RBI, to give a note of the suggestion to Shri Saran, Learned Additional Solicitor General who will have it examined.

(c) Total number of frauds and amount involved as reported by various Public Sector Banks/Financial Institutions (FIs) to RBI during the last three years are as under:

(Amount in Rs. crores)

2004		2005		2006 (upto Sept.)	
No.	Amount	No.	Amount	No.	Amount
2225	581.35	2658	1134.39	1829	682.67

(d) RBI has reported that all the Public Sector Banks and Financial Institutions are having vigilance machineries to deal with frauds and action against staff involved in frauds. They are required to follow the guidelines contained in the Central Vigilance Commisson Manual. RBI receives reports on large value frauds from banks/FIs and monitors progress in police/CBI investigation, recovery of the amounts involved in frauds, action

against staff involved, etc. RBI also advises banks to make detailed and in-depth enquiries before granting/renewing any facility to the borrowers involved in frauds. Whenever the fraud involves a new *modus operandi*, the same is circulated among banks alerting them to prevent similar frauds. Action by Public Sector Banks and Financial Institutions in fraud cases is a continuing exercise and these cases are vigorously followed up.

Bank credit to Simdega and Gumla districts

183. MS. BABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) what is the total institutional/banking credit given to Simdega and Gumla districts during the last three years, block-wise, in both of these districts;

(b) the details of banking credit given in these two districts to the tribals for the last three years, block-wise; and

(c) the details of banking credit given in these two districts to the minority tribals for the last three years, block-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL) : (a) As reported by the Allahabad Bank, the convenor of State Level Bankers' Committee (SLBC) in the State of Jharkhand, the Block-wise details of total institutional/bank credit given in Simdega and Gumla districts during the years 2003-04, 2004-05 and 2005-06 are as under:

Simdega District Block

(Amount Rs. in Lakhs)

YEAR	SIMDEGA	THETHAI TANGER	BOLHA	KURDEG	KOLEBIRA	BANA	JALDEGA	TOTAL
2003-04	800	57	26	74	179	71	70	1277
2004-05	883	116	63	114	209	130	145	1660
2005-06	1344	177	112	182	310	181	190	2496